

# *Interlochen Center for the Arts*

*Financial Statements as of and for the  
Years Ended May 31, 2009 and 2008,  
Supplemental Schedules for the  
Year Ended May 31, 2009, and  
Independent Auditor's Report*

# INTERLOCHEN CENTER FOR THE ARTS

## TABLE OF CONTENTS

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	<b>Page</b>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008:	
Statement of Financial Position	2
Statement of Activities and Changes in Net Assets	3-4
Statement of Cash Flows	5
Notes to Financial Statements	6-18
SUPPLEMENTAL SCHEDULES FOR THE YEAR ENDED MAY 31, 2009	19
REPORT LETTER	20
Statement of Financial Position Allocated by Fund	21
Schedule of Activities - Cost of Operations and General and Administrative Expenses Allocated by Fund	22-23

Independent Auditor's Report

To the Board of Trustees  
Interlochen Center for the Arts

We have audited the accompanying statement of financial position of Interlochen Center for the Arts as of May 31, 2009 and 2008 and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Interlochen Center for the Arts at May 31, 2009 and 2008 and the changes in net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

*Plante & Moran, PLLC*

June 30, 2009

# INTERLOCHEN CENTER FOR THE ARTS

## STATEMENT OF FINANCIAL POSITION

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	<u>May 31, 2009</u>	<u>May 31, 2008</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 8,819,385	\$ 11,417,280
Investments, at market value (Note 2)	49,682,276	64,246,956
Accounts receivable, net of allowance of \$772,000 in 2009 and \$556,000 in 2008	70,311	147,380
Gifts receivable (Note 3)	2,411,153	2,546,847
Prepaid expenses and other receivables	479,880	467,503
Inventories	1,349,092	1,216,068
Land, buildings, and equipment, net (Note 4)	41,320,129	39,687,435
Other assets	<u>1,338,499</u>	<u>1,338,897</u>
<b>TOTAL</b>	<u>\$ 105,470,725</u>	<u>\$ 121,068,366</u>
<b>LIABILITIES:</b>		
Accounts payable - Trade	\$ 347,782	\$ 448,240
Accounts payable - Construction in progress		675,784
Accrued liabilities	2,886,656	2,302,153
Tuition deposits and other	8,381,863	8,243,649
Annuities payable (Note 9)	644,054	621,494
Bonds payable (Note 5)	<u>26,300,000</u>	<u>26,300,000</u>
Total liabilities	38,560,355	38,591,320
<b>NET ASSETS:</b>		
Unrestricted	43,142,359	52,716,757
Temporarily restricted	2,668,310	9,215,396
Permanently restricted	<u>21,099,701</u>	<u>20,544,893</u>
Total net assets	<u>66,910,370</u>	<u>82,477,046</u>
<b>TOTAL</b>	<u>\$ 105,470,725</u>	<u>\$ 121,068,366</u>

See Notes to Financial Statements.

# INTERLOCHEN CENTER FOR THE ARTS

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

	Year Ended							
	May 31, 2009				May 31, 2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES AND OTHER ADDITIONS:</b>								
Gross tuition and student fees	\$ 28,118,931	\$ -	\$ -	\$ 28,118,931	\$ 26,299,405	\$ -	\$ -	\$ 26,299,405
Assets released from restrictions - Operating item - financial aid	2,928,536	(2,928,536)			3,340,157	(3,340,157)		
Less financial aid grants	<u>(7,388,035)</u>			<u>(7,388,035)</u>	<u>(6,557,480)</u>			<u>(6,557,480)</u>
Net tuition and student fees	23,659,432	(2,928,536)	-	20,730,896	23,082,082	(3,340,157)	-	19,741,925
Ticket sales	1,551,638			1,551,638	1,905,679			1,905,679
Lodging	923,564			923,564	927,970			927,970
Retail sales	1,775,846			1,775,846	1,788,752			1,788,752
Contributions and grants	2,240,247	3,918,546	629,282	6,788,075	5,861,861	5,154,461	1,564,692	12,581,014
Net loss of investments	(13,160,823)	(4,387,318)		(17,548,141)	(449,520)	(409,413)		(858,933)
Assets released from restrictions - Operating item - cost of operations and general and administrative	417,248	(417,248)			440,837	(418,219)	(22,618)	
Other revenues	<u>465,920</u>	<u>32,605</u>		<u>498,525</u>	<u>1,369,447</u>	<u>204,907</u>		<u>1,574,354</u>
Total revenues and other additions	17,873,072	(3,781,951)	629,282	14,720,403	34,927,108	1,191,579	1,542,074	37,660,761
<b>COST OF GOODS AND SERVICES:</b>								
Artist fees	946,460			946,460	1,280,967			1,280,967
Cost of goods sold	<u>847,409</u>			<u>847,409</u>	<u>1,082,091</u>			<u>1,082,091</u>
Total cost of goods and services	1,793,869			1,793,869	2,363,058			2,363,058
<b>COST OF OPERATIONS:</b>								
Salaries, wages, and benefits	18,482,758			18,482,758	18,271,541			18,271,541
Food costs	975,760			975,760	903,045			903,045
Contracted services	1,083,871			1,083,871	1,031,069			1,031,069
Supplies	1,052,610			1,052,610	1,489,759			1,489,759
Repairs and maintenance	686,380			686,380	639,272			639,272
Lease and rental	175,954			175,954	172,376			172,376
Utilities	844,232			844,232	854,933			854,933
Insurance	246,051			246,051	239,301			239,301
Telephone and postage	430,993			430,993	377,692			377,692
Other operational	<u>240,213</u>			<u>240,213</u>	<u>219,845</u>			<u>219,845</u>
Total cost of operations	24,218,822			24,218,822	24,198,833			24,198,833
<b>GENERAL AND ADMINISTRATIVE:</b>								
Marketing	631,211			631,211	594,730			594,730
Travel and entertainment	613,927			613,927	699,260			699,260
Professional services	370,022			370,022	465,150			465,150
Interest	322,625			322,625	813,055			813,055
Other	<u>253,144</u>			<u>253,144</u>	<u>311,219</u>			<u>311,219</u>
Total general and administrative	2,190,929			2,190,929	2,883,414			2,883,414
Total expenses before depreciation (Note 7)	<u>28,203,620</u>			<u>28,203,620</u>	<u>29,445,305</u>			<u>29,445,305</u>

See Notes to Financial Statements.

(Continued)

# INTERLOCHEN CENTER FOR THE ARTS

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

	Year Ended							
	May 31, 2009				May 31, 2008			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
(DECREASE) INCREASE IN NET ASSETS BEFORE DEPRECIATION	\$ (10,330,548)	\$ (3,781,951)	\$ 629,282	\$ (13,483,217)	\$ 5,481,803	\$ 1,191,579	\$ 1,542,074	\$ 8,215,456
DEPRECIATION EXPENSE (Note 7)	2,083,459			2,083,459	2,089,465			2,089,465
NET (DECREASE) INCREASE IN NET ASSETS	(12,414,007)	(3,781,951)	629,282	(15,566,676)	3,392,338	1,191,579	1,542,074	6,125,991
ASSETS RELEASED FROM RESTRICTIONS/TRANSFERS - Nonoperating items - Capital and other	2,839,609	(2,765,135)	(74,474)		730,313	(729,815)	(498)	
NET (DECREASE) INCREASE IN NET ASSETS	(9,574,398)	(6,547,086)	554,808	(15,566,676)	4,122,651	461,764	1,541,576	6,125,991
NET ASSETS - Beginning of year	52,716,757	9,215,396	20,544,893	82,477,046	48,594,106	8,753,632	19,003,317	76,351,055
NET ASSETS - End of year	<u>\$ 43,142,359</u>	<u>\$ 2,668,310</u>	<u>\$ 21,099,701</u>	<u>\$ 66,910,370</u>	<u>\$ 52,716,757</u>	<u>\$ 9,215,396</u>	<u>\$ 20,544,893</u>	<u>\$ 82,477,046</u>

See Notes to Financial Statements.

(Concluded)

# INTERLOCHEN CENTER FOR THE ARTS

## STATEMENT OF CASH FLOWS

	Year Ended	
	May 31, 2009	May 31, 2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net (decrease) increase in net assets	\$ (15,566,676)	\$ 6,125,991
Adjustments to reconcile net (decrease) increase in net assets to net cash from operating activities:		
Disposal of assets		2,385,499
Depreciation and amortization	2,094,174	2,100,180
In-kind broadcast licenses		(497,578)
Net change in realized and unrealized loss on investments	18,748,937	2,214,871
Bad debt expense	215,984	62,982
Increase in gifts and accounts receivable	(3,221)	(333,032)
(Increase) decrease in inventories	(133,024)	26,887
Increase in prepaid expenses and other receivables	(12,377)	(128,988)
Increase in other assets	(10,317)	(26,951)
(Decrease) increase in accounts payable	(776,242)	614,170
Increase (decrease) in accrued liabilities	584,503	(430,663)
Increase in tuition deposits and other	138,214	206,369
Restricted contributions	<u>(4,547,828)</u>	<u>(6,719,154)</u>
Net cash provided by operating activities	732,127	5,600,583
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Property additions	(3,716,153)	(5,741,070)
Purchases of investments	<u>(4,184,257)</u>	<u>(7,033,558)</u>
Net cash used in investing activities	(7,900,410)	(12,774,628)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from restricted contributions	4,547,828	6,719,154
Proceeds from contributions of annuity agreements	108,769	346,502
Payments on annuity agreements	<u>(86,209)</u>	<u>(54,317)</u>
Net cash provided by financing activities	<u>4,570,388</u>	<u>7,011,339</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(2,597,895)	(162,706)
<b>CASH AND CASH EQUIVALENTS - Beginning of year</b>	<u>11,417,280</u>	<u>11,579,986</u>
<b>CASH AND CASH EQUIVALENTS - End of year</b>	<u>\$ 8,819,385</u>	<u>\$ 11,417,280</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION - Interest paid during the year</b>		
	<u>\$ 321,885</u>	<u>\$ 812,315</u>

NON-CASH ACTIVITIES - Construction in progress includes \$0 and \$675,784 of assets which were included in accounts payable or accrued liabilities at May 31, 2009 and 2008, respectively. Other assets includes \$497,578 for broadcast licenses at May 31, 2008.

See Notes to Financial Statements.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

**Organization and Purpose**—Interlochen Center for the Arts (the “Center”) is a nonprofit organization which operates a summer arts education camp with enrollment of approximately 2,500 students, a co-educational boarding school with enrollment of approximately 500 students, and two 24-hour listener-supported public radio stations (classic music and news). Instruction is geared for the advancement of dance, music, visual arts, theatre, motion picture arts, and creative writing.

On January 23, 2009, the Canada Revenue Agency approved the registration of Canadian Friends of Interlochen (“CFI”) as a tax-exempt, registered charity under paragraph 149(1)(f) of the Canadian Income Tax Act. The purpose of CFI is to advance education by enhancing the learning experience of the students attending the Center by providing scholarships and awards. CFI’s fiscal year end is May 31 and as of May 31, 2009, CFI had no activity.

**Basis of Presentation**—The Center prepares its financial statements in accordance with the accounting principles outlined in the American Institute of Certified Public Accountants’ *Audit and Accounting Guide for Not-for-Profit Organizations* and Statement of Financial Accounting Standards (“SFAS”) No. 117, *Financial Statements of Not-for-Profit Organizations*.

**Fund Classifications**—The accounts of the Center are summarized for financial reporting purposes into the following fund groups:

**Unrestricted Net Assets**—Unrestricted net assets are used to account for transactions related to the fine arts and academic programs as determined by the Board of Trustees and carried out by the administration.

**Temporarily Restricted Net Assets**—Temporarily restricted net assets are used to account for transactions related to scholarships, donor restricted contributions related to fine arts and academic programs, income from endowment contributions which can only be expended as stipulated by the donor, and contributions and grants that are unexpended related to land, building, and equipment.

**Endowment Funds**—Endowment funds result from contributed assets which have donor-imposed restrictions which do not expire.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in temporarily restricted net assets unless their use is restricted by explicit donor stipulation. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

**Cash and Cash Equivalents**—Cash and cash equivalents include cash on hand, money market funds, and short-term investments with original maturities of three months or less.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

***Concentration of Credit Risk Arising from Deposit Accounts***—The Center maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000 and non-interest bearing accounts are fully insured by the FDIC. Additionally, the Center maintains a money market mutual fund account that is insured by the Securities Investors Protection Corporation (“SIPC”) up to \$500,000. In addition to the SIPC limit, the money market mutual fund account is insured by other insurers. The Center evaluates the financial institutions with which it deposits funds; however, it is not practical to insure all cash deposits.

***Investments***—Under SFAS No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, the Center records all investments in equity securities with readily determinable fair values and all investments in debt securities at fair value. Gains or losses on investments are reported in the statement of activities and changes in net assets as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

Alternative investments that do not have readily determinable market values as of May 31 are valued by the fund managers. Because of the inherent uncertainty of valuations in the absence of a highly liquid market, alternative investments’ estimated values may differ materially from the values that would have been used if a ready market for the securities existed.

***Accounts Receivable***—The Center records accounts receivable at net collectible value. Management reviews all the individual student accounts receivable as of May 31, and establishes an allowance for doubtful accounts based on specific assessment of each account as necessary. All amounts deemed uncollectible are charged against income for that school year. The allowance for doubtful accounts was \$772,000 and \$556,000 at May 31, 2009 and 2008, respectively.

***Inventories***—Inventories of maintenance and operating supplies and merchandise are stated on the basis of the lower of cost (first-in, first-out method) or market.

***Land, Buildings, and Equipment***—Land, buildings, and equipment are recorded at cost or, if donated, at market value at the date of donation and, excluding land, are depreciated over their estimated useful lives using the straight-line depreciation method. Estimated useful lives used for depreciation are 20 years for land improvements, 20–45 years for buildings, and 3–20 years for furniture and equipment. Costs of construction in progress are transferred to the applicable property and equipment category once the construction is complete.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Other Assets**—Other assets include deferred financing costs of \$267,866 and \$278,581 as of May 31, 2009 and 2008, respectively, which are being straight-line amortized over the life of the Center's Variable Rate Demand Revenue and Revenue Refunding Bonds, Series 2004 (the "Series 2004 Bonds"). Amortization expense was \$10,715 as of May 31, 2009 and 2008. Other assets also include broadcasting licenses for three FM stations as follows:

	<u>2009</u>	<u>2008</u>
Broadcasting licenses:		
88.5 MHz, Mackinaw City, Michigan	\$ 496,600	\$ 496,600
89.7 MHz, Manistee, Michigan	215,065	215,065
90.1 MHz, Harbor Springs, Michigan	<u>282,513</u>	<u>282,513</u>
Total broadcasting licenses	<u>\$ 994,178</u>	<u>\$ 994,178</u>

In accordance with Financial Accounting Standards Board ("FASB") Statement No. 142, *Goodwill and Other Intangible Assets*, the broadcasting licenses have an indefinite useful life. The Center tests the broadcasting licenses for impairment annually or more frequently if events or changes in circumstances indicate a possibility of impairment.

**Tuition Deposits and Other**—All tuition deposits relating to the summer arts and education camp were deferred at May 31, 2009 and 2008.

**Contribution and Grants and Gifts Receivable**—Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities and changes in the net assets as net assets released from restrictions. Unrestricted contributions and donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

**Revenue Recognition**—Tuition and student fees and other revenue are recognized ratably over the applicable enrollment period or as earned.

**Income Tax Status**—The Center is a not-for-profit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, the Center is subject to unrelated business income tax.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Use of Estimates*—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Reclassifications*—Certain reclassifications have been made to the 2008 comparative amounts to conform to the 2009 presentation.

### 2. INVESTMENTS

A summary of investments at market value, based on quoted market prices or current estimated fair value if considered a non-marketable security, held by the Center as of May 31, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
Mutual funds:		
Fixed income	\$ 8,404,105	\$ 9,714,512
Equity securities	35,900,807	50,367,809
Cash and cash equivalents	4,515,668	1,238,761
Private equity	861,696	538,195
Hedge funds	<u>                    </u>	<u>2,387,679</u>
Total investments	<u>\$ 49,682,276</u>	<u>\$ 64,246,956</u>

Net loss of investments of \$17,548,141 in 2009 represents \$1,200,796 of interest and dividends, \$2,952,772 of net realized gains on investments, and \$21,701,709 of net unrealized losses on investments. Net loss of investments of \$858,933 in 2008 represents \$1,355,938 of interest and dividends, \$3,071,889 of net realized gains on investments, and \$5,286,760 of net unrealized losses on investments. No significant investments with unrealized losses have been in a continuous loss position for 12 months or longer. The Center has private equity commitments of \$2,200,000 as of May 31, 2009.

The Center invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the balance sheet.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 3. GIFTS RECEIVABLE

The Center has received unconditional promises from donors to make contributions to the Center. The contributions as of May 31, 2009 and 2008 are to be received as follows:

	<u>2009</u>	<u>2008</u>
Receivable in less than one year	\$ 590,859	\$ 1,809,434
Receivable in one to five years	1,336,244	815,530
Receivable in more than five years	620,692	142,857
Less present value discount	<u>(136,642)</u>	<u>(220,974)</u>
Net contribution receivable	<u>\$ 2,411,153</u>	<u>\$ 2,546,847</u>

The Center had no allowance for uncollectible promises receivable as of May 31, 2009 and 2008.

### 4. LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment as of May 31, 2009 and 2008 are summarized by major classification as follows:

	<u>2009</u>	<u>2008</u>
Land	\$ 480,181	\$ 480,181
Land improvements	2,937,093	2,917,451
Buildings	51,250,578	44,104,372
Furniture and equipment	19,139,796	18,409,586
Construction in progress	<u>40,744</u>	<u>4,220,649</u>
	73,848,392	70,132,239
Less accumulated depreciation	<u>(32,528,263)</u>	<u>(30,444,804)</u>
Net land, buildings, and equipment	<u>\$ 41,320,129</u>	<u>\$ 39,687,435</u>

Construction in progress at May 31, 2009 represents the construction of the Upton-Morley Pavilion and the Mallory – Towsley Center for Arts Leadership. As of May 31, 2009 and 2008, the estimated amount to complete all projects is approximately \$1,481,000 and \$3,563,000, respectively.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 5. BONDS PAYABLE

Bonds payable at May 31, 2009 and 2008 consist of the following:

	<u>2009</u>	<u>2008</u>
Tax-exempt, Economic Development Bonds issued through the Township of Green Lake, Michigan; interest at a variable rate (between 0.25% and 9.00% during fiscal 2009) with final maturity June 2034	\$ 26,300,000	\$ 26,300,000

In April 2005, an interest rate cap of 4 percent was purchased relating to \$11,000,000 of tax-exempt bonds which increased to \$15,000,000 of tax-exempt bonds in March 2006. This cap expired in May 2009. The fair value of the Center's interest rate cap contract was an asset of approximately \$157 at May 31, 2008.

Under the terms of the Series 2004 Bonds agreement, the Center must maintain an irrevocable letter of credit to secure the payment of the principal amount of the bonds plus 35 days' accrued interest thereon. The existing letter of credit, in the amount of \$26,552,192 (outstanding principal plus 35 days' interest at 10 percent), expires in August 2009. The Center is currently in the process of obtaining a new letter of credit. The agreement contains certain financial covenants, a liquidity, and leverage ratio.

Under the terms of the indenture and related agreements, bondholders have the option to redeem or put the bonds when the interest rate is reset daily. If the remarketing agent cannot remarket the bonds, the trustee would draw on the letter of credit to pay those bondholders exercising their option. The Center is required to repay the interest on the amount drawn under the letter of credit monthly at the agent's prime rate, an effective rate of 3.25 percent at May 31, 2009. The principal amount drawn on the letter of credit is due within 180 days.

Due to the remarketing agreement, it is possible, but not expected, that all of the outstanding debt would be current if these bonds are not able to be remarketed.

### 6. RETIREMENT PLAN

The Center has a defined contribution retirement plan for all eligible employees. Employer contributions are based upon a percentage of employee compensation for the year, and costs accrued under the plan are funded to a trust on a current basis. Expenses under the plan for the years ended May 31, 2009 and 2008 were \$1,115,155 and \$1,041,977, respectively, net of forfeitures.

### 7. FUNCTIONAL EXPENSES

The Center's department classification is the basis for allocating costs among the functional classifications. The method used is considered reasonable; however, other methods could produce different results.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 7. FUNCTIONAL EXPENSES (CONTINUED)

Expenses incurred in functional areas for the years ended May 31, 2009 and 2008 include allocations of certain common expenses and are as follows:

	<u>2009</u>	<u>2008</u>
Program Expenses:		
Education Programs and Services	\$ 10,793,576	\$ 10,640,437
Media, Presentation, and Regional Program	2,497,257	2,802,265
Human and Institutional Resources	9,874,988	10,027,689
Finance and Institutional Effectiveness	2,158,561	2,350,990
Supporting Services:		
Fundraising	1,233,673	1,371,126
Administration	<u>3,729,024</u>	<u>4,342,263</u>
Total	<u>\$ 30,287,079</u>	<u>\$ 31,534,770</u>

### 8. CONTINGENCIES

From time to time, the Center is party to various lawsuits and claims arising out of the normal conduct of its business. In the opinion of management, the financial position of the Center will not be materially affected by the final outcome of these legal proceedings.

### 9. ANNUITIES PAYABLE

The Center sponsors a program in which donors may transfer assets to the Center for the right to receive a predetermined return during their lifetimes (an annuity). Based upon the terms of each annuity agreement, the Center determines its liability under the agreement using the estimated present value of future payments to the annuitant. Such future payments are determined utilizing the life expectancy of the annuitant (based on 90CM Table for Males & Females) and the interest rate (discount rate), the applicable federal mid-term rate for U.S. Treasury Bills, in effect (2.4% at May 31, 2009). The Center records the proceeds received in excess of the annuity payable as a charitable contribution, and such amounts totaled \$53,540 and \$282,893 for the years ended May 31, 2009 and 2008, respectively. At May 31, 2009 and 2008, the Center recorded \$644,054 and \$621,494, respectively, in annuities payable relating to such program.

### 10. ENDOWMENT

The Center's endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 10. ENDOWMENT (CONTINUED)

#### Interpretation of Relevant Law

The Board of Trustees of the Organization has interpreted the Uniform Management of Institutional Funds Act (“UMIFA”) as requiring the preservation of the historical value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Center classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UMIFA. In accordance with UMIFA, the Center considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Center and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Center
- (7) The investment policies of the Center

#### Endowment Net Asset Composition by Type of Fund as of May 31, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor Restricted Endowment	\$ (2,800,207)	\$ -	\$ 21,099,701	\$ 18,299,494
Board Designated Quasi Endowment	<u>24,432,528</u>	<u>                    </u>	<u>                    </u>	<u>24,432,528</u>
Total Funds	<u>\$ 21,632,321</u>	<u>\$ -</u>	<u>\$ 21,099,701</u>	<u>\$ 42,732,022</u>

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

### 10. ENDOWMENT (CONTINUED)

#### Changes in Endowment Net Assets for the Fiscal Year Ended May 31, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, Beginning of the year	\$ 31,143,637	\$ 4,795,952	\$ 20,544,893	\$ 56,484,482
Investment return:				
Investment and dividends	727,950	258,494		986,444
Net depreciation of investments	<u>(11,366,042)</u>	<u>(4,036,059)</u>		<u>(15,402,101)</u>
Total investment return	(10,638,092)	(3,777,565)	-	(14,415,657)
Contributions	998,673		629,282	1,627,955
Interest income and other revenue	103,557	27,114		130,671
Appropriation of endowment assets for expenditures	(1,105,081)	(1,045,501)		(2,150,582)
Other changes:				
Transfers for donor intent changes	(6,066)		(74,474)	(80,540)
Annuity changes	(196,285)			(196,285)
Transfers to create board designated endowment funds	<u>1,331,978</u>			<u>1,331,978</u>
	<u>1,129,627</u>	<u>-</u>	<u>(74,474)</u>	<u>1,055,153</u>
Endowment Net Assets, End of the year	<u>\$ 21,632,321</u>	<u>\$ -</u>	<u>\$ 21,099,701</u>	<u>\$ 42,732,022</u>

#### Endowment Net Asset Composition by Type of Fund as of May 31, 2008

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor Restricted Endowment	\$ -	\$ 4,795,952	\$ 20,544,893	\$ 25,340,845
Board Designated Quasi Endowment	<u>31,143,637</u>			<u>31,143,637</u>
Total Funds	<u>\$ 31,143,637</u>	<u>\$ 4,795,952</u>	<u>\$ 20,544,893</u>	<u>\$ 56,484,482</u>

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 10. ENDOWMENT (CONTINUED)

#### Changes in Endowment Net Assets for the Fiscal Year Ended May 31, 2008

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, Beginning of the year	\$ 27,007,036	\$ 5,983,878	\$ 19,003,317	\$ 51,994,231
Investment return:				
Interest and dividends	520,356	496,463		1,016,819
Net depreciation of investments	<u>(849,981)</u>	<u>(810,958)</u>		<u>(1,660,939)</u>
Total investment return	(329,625)	(314,495)	-	(644,120)
Contributions	4,174,860		1,564,692	5,739,552
Interest income and other revenue	99,523	126,518		226,041
Appropriation of endowment assets for expenditures	(1,058,209)	(999,949)		(2,058,158)
Other changes:				
Transfers for donor intent changes			(23,116)	(23,116)
Annuity changes	(37,633)			(37,633)
Expenses	31,581			31,581
Transfers to create board designated endowment funds	<u>1,256,104</u>			<u>1,256,104</u>
	<u>1,250,052</u>	<u>-</u>	<u>(23,116)</u>	<u>1,226,936</u>
Endowment Net Assets, End of the year	<u>\$ 31,143,637</u>	<u>\$ 4,795,952</u>	<u>\$ 20,544,893</u>	<u>\$ 56,484,482</u>

#### Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UMIFA requires the Center to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature that are reported in unrestricted net assets were \$2,800,207 as of May 31, 2009. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Trustees. There were no such deficiencies as of May 31, 2008.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 10. ENDOWMENT (CONTINUED)

#### **Return Objectives and Risk Parameters**

The Center has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking returns that are large enough to preserve and enhance their real, inflation-adjusted purchasing power. Endowment assets include those assets of donor-restricted funds that the Center must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under these policies, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to achieve total returns that, over time, are better than the relevant market benchmarks.

#### **Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Center relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Center targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

#### **Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Center has a policy of appropriating for distribution each year 4.7 percent of its endowment fund's average fair value over the prior three years. The spending policy calculation is performed as of the end of February proceeding the fiscal year in which the distribution is planned. The Center has lowered the percent to 4.6 for the fiscal year ending May 31, 2010. In establishing this policy, the Center considered the long-term expected return on its endowment. Accordingly, over the long term, the Center expects the current spending policy to allow its endowment to grow at a rate equivalent to or greater than inflation. This is consistent with the Center's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

### 11. FAIR VALUE MEASUREMENTS

As of June 1, 2008 the Center adopted Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* ("SFAS 157"). SFAS 157 clarifies the definition of fair value, establishes a framework for measuring fair value, and expands the disclosures for fair value measurements. The standard applies under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The provisions of SFAS 157 are effective prospectively for periods beginning June 1, 2008 for financial assets and liabilities and for periods beginning June 1, 2009 for nonfinancial assets and liabilities as a result of the deferral of the effective date of SFAS 157 provided by FSP FAS 157-2. The implementation of the provisions of SFAS 157 for financial assets and liabilities as of June 1, 2008 did not have a material impact on the Center's financial statements.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

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### 11. FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables present information about the Center's assets measured at fair value on a recurring basis at May 31, 2009, and the valuation techniques used by the Center to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Center has the ability to access. The Center has investments that are valued using Level 1 inputs, which are obtained directly from investment statements prepared by the institution holding the investments.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

Alternative investments characterized as Level 3 investments consist of private equity investments that are not publicly traded and do not have a readily determined market. As a result, the Center values the alternative investments at net asset value which is based on the most recent valuation statement from the fund, annual audit reports from the fund, and subsequent purchases and liquidations of the fund.

Both observable and unobservable inputs may be used to determine the fair value of positions classified as Level 3 assets and liabilities. As a result, the unrealized gains and losses for these assets and liabilities presented in the tables below may include changes in fair value that were attributable to both observable and unobservable inputs.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Center's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

# INTERLOCHEN CENTER FOR THE ARTS

## NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED MAY 31, 2009 AND 2008

### 11. FAIR VALUE MEASUREMENTS (CONTINUED)

Disclosures concerning assets measured at fair value are as follows:

#### Fair Value Measurements at May 31, 2009

	Balance at May 31, 2009	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>ASSETS</b>				
Investments:				
Mutual funds	\$ 44,304,912	\$ 44,304,912	\$ -	\$ -
Private equity	861,696			861,696

Changes in Level 3 assets measured at fair value on a recurring basis:

	Hedge Funds	Private Equity
Balance at June 1, 2008	\$ 2,387,679	\$ 538,195
Total realized and unrealized losses, interest and dividends	(444,523)	(48,564)
Net purchases, sales, and maturities	(1,943,156)	372,065
Balance at May 31, 2009	\$ 0	\$ 861,696

Other assets, including property and equipment and intangible assets, are also subject to periodic impairment assessments under other accounting principles generally accepted in the United States of America. These assets are not considered financial assets. Effective February 12, 2008, the FASB issued a staff position, FSP FAS 157-2, which delayed the applicability of FAS 157 to non-financial assets and liabilities until fiscal years beginning after November 15, 2008. Accordingly, these assets have been omitted from the above disclosures.

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**SUPPLEMENTAL SCHEDULES OF  
SELECTED FINANCIAL DATA**

## Independent Auditor's Report

To the Board of Trustees  
Interlochen Center for the Arts

We have audited the financial statements of Interlochen Center for the Arts as of May 31, 2009. Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The statement of financial position allocated by fund and schedule of activities - cost of operations and general and administrative expenses allocated by fund are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The information has been subjected to the procedures applied in the audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Plante & Moran, PLLC*

June 30, 2009

**INTERLOCHEN CENTER FOR THE ARTS**

**STATEMENT OF FINANCIAL POSITION ALLOCATED BY FUND**

	Unrestricted			Temporarily Restricted				Permanently Restricted	Eliminations	May 31, 2009 Total
	Operating	Designated	Total	Scholarship	General	Plant	Agency	Endowment		
	Funds	Funds	Unrestricted	Funds	Funds	Funds	Funds	Funds		
<b>ASSETS:</b>										
Cash and cash equivalents	\$ 1,685,915	\$ 3,586,660	\$ 5,272,575	\$ 195,274	\$ 97,148	\$ -	\$ 9,676	\$ 3,244,712	\$ -	\$ 8,819,385
Investments, at market value	7,656,778	22,823,903	30,480,681	1,057,170	525,939		52,380	17,566,106		49,682,276
Accounts receivable, net of allowance of \$772,000 in 2009	70,311		70,311							70,311
Gifts receivable		702,917	702,917	46,817		1,372,536		288,883		2,411,153
Due from other funds		626,574	626,574						(626,574)	
Prepaid expenses and other receivables	477,211	2,669	479,880							479,880
Inventories	1,349,092		1,349,092							1,349,092
Land, buildings, and equipment, net	41,320,129		41,320,129							41,320,129
Other assets	1,338,499		1,338,499							1,338,499
<b>TOTAL</b>	<b>\$ 53,897,935</b>	<b>\$ 27,742,723</b>	<b>\$ 81,640,658</b>	<b>\$ 1,299,261</b>	<b>\$ 623,087</b>	<b>\$ 1,372,536</b>	<b>\$ 62,056</b>	<b>\$ 21,099,701</b>	<b>\$ (626,574)</b>	<b>\$ 105,470,725</b>
<b>LIABILITIES:</b>										
Accounts payable - Trade	\$ 347,782	\$ -	\$ 347,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 347,782
Accrued liabilities	2,824,600		2,824,600				62,056			2,886,656
Due to other funds						626,574			(626,574)	
Tuition deposits and other	8,381,863		8,381,863							8,381,863
Annuities payable	644,054		644,054							644,054
Bonds payable	26,300,000		26,300,000							26,300,000
Total liabilities	38,498,299	-	38,498,299	-	-	626,574	62,056	-	(626,574)	38,560,355
<b>NET ASSETS:</b>										
Unrestricted	15,399,636	27,742,723	43,142,359							43,142,359
Temporarily restricted				1,299,261	623,087	745,962				2,668,310
Permanently restricted								21,099,701		21,099,701
Total net assets	15,399,636	27,742,723	43,142,359	1,299,261	623,087	745,962	-	21,099,701	-	66,910,370
<b>TOTAL</b>	<b>\$ 53,897,935</b>	<b>\$ 27,742,723</b>	<b>\$ 81,640,658</b>	<b>\$ 1,299,261</b>	<b>\$ 623,087</b>	<b>\$ 1,372,536</b>	<b>\$ 62,056</b>	<b>\$ 21,099,701</b>	<b>\$ (626,574)</b>	<b>\$ 105,470,725</b>

# INTERLOCHEN CENTER FOR THE ARTS

## SCHEDULE OF ACTIVITIES—COST OF OPERATIONS AND GENERAL AND ADMINISTRATIVE EXPENSES ALLOCATED BY FUND

	Unrestricted		Total Unrestricted	Temporarily Restricted			Permanently Restricted	May 31, 2009 Total
	Operating Funds	Designated Funds		Scholarship Funds	General Funds	Plant Funds	Endowment Funds	
<b>REVENUES AND OTHER ADDITIONS:</b>								
Gross tuition and student fees	\$ 28,118,931	\$ -	\$ 28,118,931	\$ -	\$ -	\$ -	\$ -	\$ 28,118,931
Assets release from restrictions - Operating item - financial aid	2,954,679	(26,143)	2,928,536	(2,921,586)	(6,950)			
Less financial aid grants	<u>(7,388,035)</u>		<u>(7,388,035)</u>					<u>(7,388,035)</u>
Net tuition and student fees	23,685,575	(26,143)	23,659,432	(2,921,586)	(6,950)	-	-	20,730,896
Ticket sales	1,551,638		1,551,638					1,551,638
Lodging	923,564		923,564					923,564
Retail sales	1,775,846		1,775,846					1,775,846
Contributions and grants	1,225,895	1,014,352	2,240,247	2,161,984	81,888	1,674,674	629,282	6,788,075
Net loss of investments	(546,921)	(12,613,902)	(13,160,823)	(3,777,565)	(317,877)	(291,876)		(17,548,141)
Endowment allocation	456,819		456,819	(456,819)				
Other revenues	<u>543,318</u>	<u>(77,398)</u>	<u>465,920</u>	<u>27,114</u>	<u>2,922</u>	<u>2,569</u>		<u>498,525</u>
Total revenues and other additions	29,615,734	(11,703,091)	17,912,643	(4,966,872)	(240,017)	1,385,367	629,282	14,720,403
<b>COST OF GOODS AND SERVICES:</b>								
Artist fees	946,460		946,460					946,460
Cost of goods sold	<u>847,409</u>		<u>847,409</u>					<u>847,409</u>
Total cost of goods and services	1,793,869	-	1,793,869	-	-	-	-	1,793,869
<b>COST OF OPERATIONS:</b>								
Salaries, wages, and benefits	18,324,828	10,400	18,335,228		147,530			18,482,758
Food costs	975,760		975,760					975,760
Contracted services	918,932	145,750	1,064,682		19,189			1,083,871
Supplies	829,020	102,395	931,415		59,322	61,873		1,052,610
Repairs and maintenance	613,033	60,477	673,510		12,870			686,380
Leases and rents	171,734	729	172,463		239	3,252		175,954
Utilities	844,232		844,232					844,232
Insurance	245,748		245,748		303			246,051
Telephone and postage	428,601	2,340	430,941		52			430,993
Other operational	<u>32,529</u>	<u>203,697</u>	<u>236,226</u>		<u>3,112</u>	<u>875</u>		<u>240,213</u>
Total cost of operations	23,384,417	525,788	23,910,205	-	242,617	66,000	-	24,218,822
<b>GENERAL AND ADMINISTRATIVE:</b>								
Marketing	631,176		631,176		35			631,211
Travel and entertainment	502,006	37,939	539,945		73,982			613,927
Professional services	368,284	1,738	370,022					370,022
Interest	740	321,885	322,625					322,625
Other	<u>217,319</u>	<u>1,211</u>	<u>218,530</u>		<u>34,614</u>			<u>253,144</u>
Total general and administrative	1,719,525	362,773	2,082,298	-	108,631	-	-	2,190,929
Total expenses before depreciation and board-designated expenditures	<u>26,897,811</u>	<u>888,561</u>	<u>27,786,372</u>	<u>-</u>	<u>351,248</u>	<u>66,000</u>	<u>-</u>	<u>28,203,620</u>

(Continued)

## INTERLOCHEN CENTER FOR THE ARTS

### SCHEDULE OF ACTIVITIES—COST OF OPERATIONS AND GENERAL AND ADMINISTRATIVE EXPENSES ALLOCATED BY FUND (CONTINUED)

	Unrestricted		Total Unrestricted	Temporarily Restricted			Permanently Restricted	May 31, 2009 Total
	Operating Funds	Designated Funds		Scholarship Funds	General Funds	Plant Funds	Endowment Funds	
INCREASE (DECREASE) IN NET ASSETS BEFORE DEPRECIATION, ASSETS RELEASED FROM RESTRICTIONS, AND BOARD - DESIGNATED EXPENDITURES	\$ 2,717,923	\$ (12,591,652)	\$ (9,873,729)	\$ (4,966,872)	\$ (591,265)	\$ 1,319,367	\$ 629,282	\$ (13,483,217)
BOARD-DESIGNATED EXPENDITURES	<u>5,342</u>	<u>(5,342)</u>	_____	_____	_____	_____	_____	_____
INCREASE (DECREASE) IN NET ASSETS BEFORE DEPRECIATION	2,712,581	(12,586,310)	(9,873,729)	(4,966,872)	(591,265)	1,319,367	629,282	(13,483,217)
DEPRECIATION EXPENSE	<u>2,083,459</u>	_____	<u>2,083,459</u>	_____	_____	_____	_____	<u>2,083,459</u>
NET INCREASE (DECREASE) IN NET ASSETS	629,122	(12,586,310)	(11,957,188)	(4,966,872)	(591,265)	1,319,367	629,282	(15,566,676)
ASSETS RELEASED FROM RESTRICTIONS/ TRANSFERS - Nonoperating items - Capital and other	<u>846,665</u>	<u>1,536,125</u>	<u>2,382,790</u>	<u>186,729</u>	<u>5,408</u>	<u>(2,500,453)</u>	<u>(74,474)</u>	_____
NET INCREASE (DECREASE) IN NET ASSETS	1,475,787	(11,050,185)	(9,574,398)	(4,780,143)	(585,857)	(1,181,086)	554,808	(15,566,676)
NET ASSETS - Beginning of year	<u>13,923,849</u>	<u>38,792,908</u>	<u>52,716,757</u>	<u>6,079,404</u>	<u>1,208,944</u>	<u>1,927,048</u>	<u>20,544,893</u>	<u>82,477,046</u>
NET ASSETS - End of year	<u>\$ 15,399,636</u>	<u>\$ 27,742,723</u>	<u>\$ 43,142,359</u>	<u>\$ 1,299,261</u>	<u>\$ 623,087</u>	<u>\$ 745,962</u>	<u>\$ 21,099,701</u>	<u>\$ 66,910,370</u>

(Concluded)